(b) if so, what is the outcome thereof;

(c) what precaution has been taken to see that the Forex remittance scheme is not used as a major tool to launder unaccounted rupee holdings by resident Indians by transferring the ownership of black rupee in exchange of foreign currency drafts to the possession of NRIs working abroad; and

(d) whether it is a fact that the nation is losing around Rs. 30,000 crore (about $ 1 billion) every year, on account of non-repatriation of foreign exchange because of hawala, which the importers, exporters and smuggling syndicates indulge in, if so, the steps taken to guard against the hawala transactions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RA MESHWAR THAKUR): (a) and (b) Although no formal appraisal has been made, it is observed that the responses *to* the Schemes have been encouraging.

(c) The enforcere-it agencies book all those transactions which are in violation of FERA and take necessary action against the offenders under the law.

(d) There is no evidence to suggest that the Nation is losing around $ 1 Billion every year on account of non-repatriation of foreign exchange because of hawala transactions.

Cot in aid by Germany

1073. SHRI YASHWANT SINHA; Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Germany have announced that it will reduce aid to India because our defence expenditure is excessive; and

(b) if so, the reaction of Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RA-MESHWAR THAKUR): (a) No, Sir. However, according to some press reports, the Federal German Minister for Economic Cooperation has indicated that Ger man development assistance to a few countries including India could be reduced on account of excessive military expendi ture.

(b) In the view of the Government of India, non-economic considerations should not be imposed for determining the level of official development assistance, It has been further clarified that Indian defence expenditure as a percentage of its Gross Domestic Product is not high.

Memorandum submitted by employees oF National Confederttion of R.R.Bs.

1074. SHRI R. S. NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a memo randum was submitted by the Nationa Confederation of Regional Rural Banks employees to the working group o R.R.Bs.;

(b) if so, what are the details thereof

(c) whether at is also a fact that in the above mentioned memorandum, one o the demands was that the employees have ing the qualification of graduation ma: be promoted to clerical cadre, irrespective of number of years of service;

(d) if so, whether Government ha\ taken any decision thereon; and

(e) if the reply to part (d) above b in the negative what are the reason therefor ?

THE MINISTER OF STATE IN TH MINISTRY OF FINANCE (SHRI DAI BIR SINGH): (a) National Bank for Agr culture and Rural Developmet (NABARD) has reported that the Nationl Confederation of Regional Rural Bank employees have submitted a memora: dum to the Working Group on RR] constituted by NABARD.

(b) The memorandum submitted by t! confederation relates to framing of sta regulations for all categories of Regior Rural Banks' Employees promotion a recruitment policy, promotion from o padre to the next cadre, benefits/alio